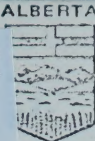
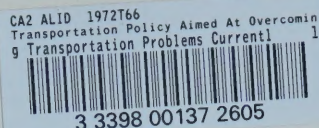


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news release

By Honourable Fred Peacock, Minister of Industry and Commerce

Release date: Monday, December 11th, 1972

The Alberta Government today unveiled a comprehensive new transportation policy aimed at overcoming transportation problems which are impeding the province's economic growth.

The policy, approved by the Provincial Cabinet on December 5th, was introduced at a Calgary news conference by the Hon. Fred Peacock, Minister of Industry and Commerce.

Mr. Peacock said the new policy is the result of extensive studies by the government into the province's complex and often inadequate transportation systems, in co-operation with private industry, and the Departments of Agriculture and Highways.

"Under the new policy," he said, "the government is committed to develop through information, economic, legal and political programs the development of a fully integrated transportation system in the province."

The policy paper breaks the provincial transportation system down into three major categories -- air, rail and highways.

In relation to air transport in Alberta, the government proposes to:

- work toward the confirmation of provincial rights under the British North America Act to regulate and license air carriers operating entirely within the province, subject only to national safety standards;

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- define criteria for the development and improvement of airports and airstrip facilities to meet the reasonable needs of communities;
- promote and develop air strips within the province to ensure adequate air service for tourist development, forest fire fighting and continued growth of civil and private aviation interests;
- support additional competition on national air routes serving major Alberta cities; and
- strive for active participation in the formation of Federal Government policies affecting the negotiation of bilateral international air agreements;

Mr. Peacock said the government also took a hard look at rail transportation problems affecting the province, saying the government fully supports the maintenance of the statutory level of export grain rates.

"We do, however, intend to work toward improvements in the total grain handling system, so increased productivity will maintain costs at or below current levels," he said.

The Minister said the government also recognizes the problems caused by inadequate distribution facilities throughout Western Canada, and said it will support development of alternative facilities on the Western Trade route.

Mr. Peacock said transportation presents complex and costly problems to businessmen throughout the province. To meet the need for information and assistance, the

Government will develop a distribution services program to directly assist industry in improving distribution methods and reducing transportation costs.

Services to industry will include assistance in the areas of:

- transportation limitations to marketing
- plant location
- packaging and packing
- materials handling
- mode selection
- carrier negotiation
- inventory control
- export documentation & brokerage selection
- tariff information

"We wish to make it clear that we recognize the role rail transportation plays in the cohesion of the various regions of the country," Mr. Peacock said, "but we cannot help but view with concern the effect freight rate policies of the national carriers are having on the province's economic development."

He said the government is determined to obtain a more equitable freight rate structure for the province, and the government will work toward achievement of effective competition in the rail transport system, based upon minimum regulation.

Dealing with highway transportation problems in the province, the government says it intends to establish new, uniform and higher weight limits for highways where feasible and pursue full reciprocity in the matter of licensing, taxation and access with all provinces and states.

"We will also examine closely the experience of other provinces in dealing with increased load weights, safety and driver regulations," said Mr. Peacock, "and will draw on those experiences when formulating Alberta policies."

The policy paper also points out the importance of Northern Canada to the Alberta economy, and says the government will exercise leadership in the development of northern transportation routes.

Expanding on that statement, Mr. Peacock said the government intends to negotiate with the Federal Government for improved transportation facilities in the north, such as the extension and paving of the MacKenzie Highway; the paving of the Alaska Highway; extra-provincial extension of the Fort McMurray Highway; and the provision of increased heavy air cargo facilities on northern routes.

The Minister also told reporters the government intends to press for the extension of the Great Slave Railway into the MacKenzie Valley.

Mr. Peacock also said the government believes the costs and limitations placed on commercial carriers operating through national parks in the province inhibits the movement of goods for inter-provincial trade, and said that particular problem will be another point raised in Federal-Provincial negotiations.

ALBERTA GOVERNMENT

STATEMENT

ON

TRANSPORTATION POLICY

November, 1972.



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Alberta Government Statement on Transportation Policy

The purpose of this statement is to inform Albertans of this Administration's transportation policies.

Developments during the Past Year

Responsibility for the development of Alberta's transportation interests was assigned to the Department of Industry and Commerce in recognition of the direct relationship between transportation and the future growth and diversification of the provincial economy.

Following this transfer of responsibility, a number of investigations have been carried out which have confirmed earlier concerns of this Administration that transportation presents a most significant impediment to the future growth of Alberta.

It has been established, among other things, that:

- domestic rail freight rates and practices, particularly those resulting in inequitable differences in long and short distance hauls, undue rate differentials between raw, semi-finished and finished products and horizontal percentage rate increments, mitigate against the development of secondary industry in Alberta.
- the lack of competition within transport systems has a detrimental effect on the level of rates, the quality and frequency of services and the development of new methods, new routes and new facilities.
- Alberta, in common with other provinces, has little or no voice in the development of federal positions on transport matters affecting the province. This is particularly evident in the development of intra-provincial air routes and in bilateral negotiations for extended service on international air routes.
- rate levels on export movements inhibit the development of trade with overseas markets; in fact, some rate structures lead to the export of manufacturing activity.
- capacity restrictions and other impediments in present rail facilities to the West Coast restrict the uninterrupted flow and future growth of Alberta's commodity exports to Pacific Rim markets.

- the lack of overall planning involving municipal, provincial and federal authorities in air transport has resulted in the uncoordinated development of facilities, each of which may serve some specific purpose but does not contribute to any overall strategy.
- present limitations of road, rail and air routes and services are restricting development of trade with the north. There is a requirement for concerted provincial involvement - beyond past levels of effort - in the development of northern transport facilities.
- insufficient attention has been devoted to the research and development of new transportation technology inclusive of equipment, systems and methods.
- many firms in Alberta require assistance in improving distribution methods and reducing transportation costs.
- there is a limited knowledge of the effects on the economy of varying degrees of highway transport regulation.
- the costs and limitations placed on commercial carriers operating through national parks inhibit the movement of goods in interprovincial trade.

In recognition of these and other pressing transportation problems, the Government of Alberta has developed a provincial transportation policy which it believes should be brought before the public.

Provincial Transportation Policy

In the interest of all Albertans and in support of economic development throughout the province, a positive transportation policy is required to develop new directions in solving the transportation problems the province confronts. The Government of Alberta therefore declares, as a matter of transportation policy, that this Administration will:

- through transportation development facilitate the economic growth and diversification of the provincial economy.
- promote, support and/or develop efficient transport facilities adequate to the needs of both urban and rural Albertans.
- support the effective implementation of the National Transportation Policy of Canada which declares that an economic, efficient and adequate transportation system making the best use of all available modes of transportation at the lowest total cost is essential to protect the interests of the users of transportation and to maintain the economic well-being of Canada.
- work with the Federal Government to develop an effective, inexpensive procedure that will ensure tolls and conditions do not create
 - a disadvantage beyond the carrier cost disadvantage inherent in the location or volume of the traffic, the scale of operation connected therewith or the type of traffic or service involved, or:

- an obstacle to the interchange of commodities between points in Canada or a discouragement to the development of primary or secondary industries or to export trade in or from any region of Canada or to the movement of commodities through Canadian ports.
- work toward an effective voice in federal transport decisions which affect Alberta.
- minimize the transportation cost component of products purchased by Alberta consumers.
- assist industry in improving distribution systems and reducing transportation costs.
- encourage and assist the development of new transportation technology inclusive of equipment, systems and methods.
- provide the means for the most effective marketing of Alberta products both domestically and internationally.
- take action to develop effective competition between carriers on all transport routes serving the province and oppose monopolistic control of competing modes of transport.
- support a level of regulation that will not inhibit the ability of any method of transport to compete.

- achieve a better knowledge of transportation problems and develop methods for their resolution through an expansion of activities devoted to transport research and development.
- exercise leadership and press for continued improvements in northern transport routes, facilities and services.
- support the maintenance of statutory levels of export grain rates.
- support integrated, effective passenger facilities and services including air, bus, rail and other urban and inter-urban systems.
- ensure each form of transport bears a fair proportion of the cost of facilities, resources and services provided at public expense.

Transportation Programs

To implement this transportation policy, in an effective way, requires activity on a wide variety of problems on many fronts. This Administration is developing a fully integrated transportation program dealing with all modes which will challenge our transportation problems through information, economic, legal and political action. Comments on the types of programs being developed follow.

Businessmen throughout the province have need for information on the transportation system. Transportation and distribution in industry present complex problems requiring professional guidance. Industries require information concerning the transportation system. To fill this need, we are developing a distribution services program that will directly assist industry in identifying and resolving transport limitations on marketing and plant location, efficient warehousing, packaging, carrier negotiation, etc.

Action in the economic area will be pursued through analysis and negotiation to remove inequities in rates, policies and practices and levels and standards of service. Our economy requires that transportation be developed to meet the demands of growth. Specific needs must be defined and met with major assistance from private enterprise or from the level of government that has the capability or responsibility to provide them.

It is always desirable to negotiate the changes required to enable development to proceed however, when negotiations fail, legal action must be taken. This Administration is ready to test and use existing legislation designed to protect the public interest in all matters of transportation.

Certain problems cannot be solved by negotiation or litigation. Political action is then required to change legislation or regulation so that the public interest is served.

Transportation is one of the keys to development of our province. The Government of Alberta is committed to improving transport facilities, services and rates to promote economic development and opportunity for all Albertans.

